Ontario

Provincial Judges Benefits Board

Annual Report
for year ending March 31, 1986

SECOND ANNUAL REPORT

OF THE

PROVINCIAL JUDGES BENEFITS BOARD

FOR THE YEAR ENDED

MARCH 31, 1986

Ontario

Office of the Minister

Ministry of Government Services

12th Floor
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To his Honour, The Lieutenant Governor of the Province of Ontario.

MAY IT PLEASE YOUR HONOUR:

The undersigned respectfully presents herewith the Report of the Provincial Judges Benefits Board for the year ended March 31, 1986.

Respectfully submitted,

Sean Conway
Acting Minister of Government Services.

Ontario

Provincial Judges
Benefits
Board

Area Code (416)
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The Honourable Sean Conway
Acting Minister of Government Services

SIR:

I have the honour to submit the Report of the Provincial Judges Benefits Board for the year ended March 31, 1986.

Respectfully submitted,

Michael A. Wadsworth, Q.C.
Chairman.

PROVINCIAL JUDGES BENEFITS BOARD

The Board was established in 1984 under Regulation 332/84 made pursuant to the Provincial Courts Act, now the Courts of Justice Act.

The Members of the Board are appointed by the Lieutenant Governor in Council. At March 31, 1986, the Board had the following Members:

M.A. Wadsworth, Q.C. — Chairman
Executive Vice-President and
Corporate Secretary
Crownx Inc.

J.G. Goodwin, Q.C.
Partner
Osler, Hoskin & Harcourt

E.F.H. Strauss, B. Sc., M.A.
Human Relations Consultant and
Therapist

B.V. Cooke, Manager, Policy and Executive Benefits, Ministry of Government Services was the Secretary.

In accordance with the Regulation, the Board administered the Provincial Judges Benefits Plan and approved income continuity payments and refunds of voluntary contributions.

Four meetings of the Board were held during the year ended March 31, 1986.

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INCOME CONTINUITY PAYMENTS

An "income continuity payment" under the Regulation is a retirement income payable in monthly instalments commencing with the month following the month in which the recipient ceased to hold office. The amount of the payment is calculated in accordance with the formula under the Regulation.

As of March 31, 1986, 54 income continuity payments were being paid.

During the period ending March 31, 1986, 284 refunds of contributions were authorized. These were authorized by the Board in accordance with the Regulation and consisted of Superannuation Adjustment Fund contributions and voluntary Public Service Superannuation contributions plus interest.

TRANSFERS

Under the terms of the agreement between the Minister of Government Services and the Provincial Judges Benefits Board, funds representing the contributions of judges and masters, together with employer contributions and prescribed interest, were transferred from the Public Service Superannuation Fund and the Superannuation Adjustment Fund to the Provincial Judges Benefits Fund. The majority of the transfers were made in 1984/85, leaving a balance transferred in the 1985/86 year of $1,302,790.

CONTRIBUTORS

At 31st March, 1986, there were 231 contributors to the Provincial Judges Benefits Fund.

PROVINCIAL JUDGES BENEFITS FUND

The amount standing to the credit of the Provincial Judges Benefits Fund at March 31, 1986 was $30,975,232. Total receipts for the year, including interest, amounted to $9,222,288. while total disbursements amounted to $3,138,489.

COST OF ADMINISTRATION

The cost of administrative support for the operation of the Provincial Judges Benefits Board is subsumed in the estimates of the Employee Benefits and Data Services Branch of the Ministry of Government Services (Vote 605, Item 3). (This Branch also administers pension and benefit plans for Government employees and for members of the Legislative Assembly and their staff and provides payroll and personnel data services to all government ministries.)

The Chairman and members of the Provincial Judges Benefits Board receive per diem fees for attendance at Board Meetings. For the period under review, a total of $1,200. was paid in per diem fees. No other direct costs are incurred by the Board and cost proration is not justified because of the variety of services provided by the Employee Benefits and Data Services Branch.

ACKNOWLEDGEMENT

In submitting this Report, the Board wishes to express its appreciation of the assistance rendered to the Board by the Secretariat and the management and staff of the Employee Benefits and Data Services Branch, Ministry of Government Services.

PROVINCIAL JUDGES BENEFITS FUND

Statement of Changes in Account for the year ended March 31, 1986

(with comparative figures for the nine month period ended March 31, 1985)

	1986 $	1985 $
Receipts		
Transfers (note 3)		
Public Service Superannuation Fund	1,209,489	18,210,730
Superannuation Adjustment Fund	93,301	2,241,885
Contributions		
Participants	396,395	264,822
Province of Ontario (note 5)	4,118,758	2,847,151
Interest earned	3,404,345	1,968,868
	9,222,288	25,533,456
Disbursements		
Income continuity payments and survivor allowances	1,501,911	642,023
Refunds (note 4)	1,636,578	-
	3,138,489	642,023
Net increase in the Account	6,083,799	24,891,433
Balance on deposit with the Treasurer of Ontario,		
- beginning of year	24,891,433	-
- end of year	30,975,232	24,891,433

See accompanying notes to financial statement.

Approved on behalf of the Board :

Richard A. Wadsworth
Chairman

PROVINCIAL JUDGES BENEFITS FUND

Notes to the Financial Statement
March 31, 1986

1. NATURE OF THE FUND

The Provincial Judges Benefits Fund was established by Regulation made under the Courts of Justice Act, effective July 1, 1984. This Regulation designated the Provincial Judges Benefits Board to administer the Fund.

The purpose of the fund is to provide income continuity payments to retired Provincial Court Judges and Masters of the Supreme Court of Ontario or survivor allowances to the dependents of these Judges and Masters. Participant contributions to and benefits from the Fund are as defined by Regulation to the Act.

The Fund is not considered to be a pension pian as defined under the Pension Benefits Act. Accordingly, it is not subject to the reporting requirements under that Act. However, the Fund has the same status as a pension plan for income tax purposes.

2. ADMINISTRATIVE EXPENSES

Administrative expenses are paid by the Ministry of Government Services.

3. TRANSFERS INTO THE FUND

Of the 277 judges eligible for transfer from the Public Service Superannuation Fund and Superannuation Adjustment Fund to the Provincial Judges Benefits Fund, all but 16 were transferred to the Fund prior to March 31, 1985. The remaining 16 were transferred in June 1985. All prior pension contributions, including the Province's contribution and interest, have been transferred to the Fund.

4. REFUNDS TO PARTICIPANTS

According to the Regulation, any previous voluntary contributions made by the Fund participants to the Public Service Superannuation Fund may be refunded to them at their request. In addition, contributions previously made by the Fund participants to the Superannuation Adjustment Fund will be refunded to them. Judges who retired between October 1, 1979 and July 1, 1984, will also be refunded contributions made to the Superannuation Adjustment Fund. Such refunds are to be reduced by the amount paid out during that time under the Superannuation Adjustment Benefits Act.

4. REFUNDS TO PARTICIPANTS (cont'd)

Because these contributions were included in the amounts transferred to the Fund, refunds are paid from the Fund. As at March 31, 1986 approximately $46,500, including interest, of previous contributions to the Superannuation Adjustment Fund had not yet been refunded.

5. LIABILITY FOR FUTURE BENEFITS

Contributions by participants are required in respect of survivor allowances only. The annual funding required to maintain income continuity payments is borne entirely by the Province.

The first and most recent actuarial valuation of the Fund, dated March 31, 1985, disclosed that the Province's share of the liability for income continuity payments and survivor allowances was $41.8 million. The Province is contributing towards this liability in amounts recommended by the actuary.

INTEREST EARNED BY THE P.J.B.F.

Interest was credited to the Provincial Judges Benefits Fund out of the Consolidated Revenue Fund on the following basis:

1. On the balance at the credit of the Fund on March 31, 1985, at a rate of 12.28 per cent per annum.

2. On the net amount deemed to have entered the Fund each month throughout the period ending March 31, 1986, at the rate of 11.55 per cent per annum and credited from the date such increases are deemed to have entered the Fund to the end of fiscal year 1985-86.